



Council Agenda Item

Meeting Date:	October 15, 2024
Agenda Item:	Associated Bank Contract for Flexible Account Services
Staff Contact (name, email, phone):	Sara Marquardt, smarquardt@whitewater-wi.gov , 262-473-1387

BACKGROUND

(Enter the who, what when, where, why)

In 2016, the City of Whitewater engaged Diversified Benefit Services Inc. (DBS) to manage its Health Reimbursement Arrangements (HRAs) and Flexible Spending Accounts (FSAs). With the recent switch to a new health insurance provider, the City can now expand employee benefits by offering Lifestyle Accounts (LSAs). However, since DBS does not support or administer LSAs, it was necessary to identify a new vendor.

Associated Bank emerged as a potential provider, offering a comprehensive solution to administer HRAs, FSAs, and LSAs at a slightly lower cost than the current DBS fee structure.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

October 4, 2016: Council approved a motion to contract with Diversified Benefits Services for the purpose of administering the employee benefit accounts.

FINANCIAL IMPACT

(If none, state N/A)

The annual administration cost for all three benefit accounts with Associated Bank is \$900 per year lower than with DBS.

STAFF RECOMMENDATION

Staff recommends approval of the agreement with Associated Bank and Associated Benefits Connection for the administrative services related to benefit plan arrangements. Additionally, staff is seeking authorization and direction to execute the necessary documents related to the vendor change. The City Attorney reviewed the agreement and had no issues.

ATTACHMENT(S) INCLUDED

(If none, state N/A)

1. Associated Benefits Connection Administrative Services Agreement